

§ 363.28

zero-percent certificate of indebtedness to his or her primary account.

(g) *Liability.* We rely on the certification of the custodian that he or she is acting on behalf of the minor. We are not liable to the minor, or any other person or party acting on behalf of the minor, for the actions of the custodian, nor are we liable for the application of any proceeds from the transfer or redemption of securities held in the minor's account. The custodian agrees to indemnify and hold harmless the United States in the event that we suffer any loss on account of any claim relating to a minor account.

[69 FR 2507, Jan. 16, 2004, as amended at 69 FR 50309, Aug. 16, 2004; 70 FR 57443, Sept. 30, 2005; 74 FR 19419, Apr. 29, 2009; 75 FR 78901, Dec. 17, 2010; 76 FR 18064, Apr. 1, 2011]

§ 363.28 Does Fiscal Service reserve the right to require that any TreasuryDirect® transaction be conducted in paper form?

We reserve the right to require any transaction to be conducted in paper form. Signatures on paper transactions must be certified or guaranteed as provided in § 363.43.

[70 FR 57434, Sept. 30, 2005]

§ 363.29 May Treasury close an account, suspend transactions in an account, or refuse to open an account?

We reserve the right to take any of the following actions if, in our sole discretion, we deem the action to be in the best interests of the United States:

(a) Refuse to open an account for any person;

(b) Close any existing account, redeem, sell, or liquidate the securities held in the account, and pay the proceeds to the person entitled;

(c) Suspend transactions with respect to an account or any security held in an account; or

(d) Take any other action with regard to any account that we deem necessary, if not inconsistent with existing law and existing rights.

[70 FR 57434, Sept. 30, 2005, as amended at 72 FR 30978, June 5, 2007]

31 CFR Ch. II (7–1–14 Edition)

§ 363.30 What actions may Treasury take if funds used to purchase a security were credited or debited in error or through fraud?

(a) If Treasury sustains a loss because the funds used to purchase a security were debited from an account at a financial institution from which the TreasuryDirect account owner did not have the right to authorize such ACH debit entry, we reserve the right to redeem that security from the account and use the proceeds to reimburse Treasury for the loss. If such security has been transferred to another TreasuryDirect account, we reserve the right to reverse the transfer, redeem the security, and use the proceeds to reimburse Treasury for the loss. If such security has been redeemed or has matured and the proceeds paid to the account owner, we reserve the right to take any action that we deem appropriate, including redeeming other securities remaining in the account and using the proceeds to reimburse Treasury for the loss.

(b) If an employer or a third-party agent acting on behalf of one or more employers certifies, under penalty of perjury, that it has made an erroneous ACH credit entry to purchase a TreasuryDirect certificate of indebtedness, we reserve the right to redeem securities from the TreasuryDirect account to which the entry was made in the amount of the erroneous entry and return the funds. No action will be taken if the certification is not received by Treasury within 45 days of the erroneous entry. We will only return funds if the erroneous entry was made to an account that does not belong to the intended recipient, is a duplicate payment, is in an amount that is greater than was authorized by the recipient, or was made in error because the employee was not in a pay status. We reserve the right to refuse to return an entry. By requesting that Treasury correct an erroneous entry, the employer agrees to indemnify Treasury for any loss that Treasury may incur as a result of the correction of the error and agrees to provide such information and assistance as Treasury may require.

(c) If a financial institution, except a financial institution acting on behalf